

**Term Sheet – Delphi Pension Freeze and Cessation of OPEB, and
GM Consensual Triggering of Benefit Guarantee**

- 1) This Term Sheet sets forth the agreement of General Motors Corporation (“GM”), Delphi Corporation, or any successor to Delphi as a result of the acquisition of substantially all the stock or assets of Delphi Corporation or a merger of Delphi Corporation, or any plan sponsor of the Delphi Hourly-Rate Employees Pension Plan (“Delphi”), and the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers-Communications Workers of America and its applicable Local Unions (“IUE-CWA”) regarding the freeze of the 2003 Delphi Hourly-Rate Employees Pension Plan (“Delphi HRP”), Delphi’s cessation of post-retirement health care benefits and employer-paid post-retirement life insurance benefits (hereinafter referred to as “OPEB”), and the terms of a consensual triggering and application of the Benefit Guarantee agreement between GM and the IUE-CWA, dated November 13, 1999 and signed November 14, 1999 (“Benefit Guarantee”). For purposes of this Term Sheet, the term “Covered Employee” means those International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, AFL-CIO represented Delphi employees who had unbroken seniority and were employed by GM under the terms of the 1996 GM-International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, AFL-CIO National Agreement as of the spin-off of Delphi from GM on May 28, 1999 who were not employed under a competitive wage agreement as of May 28, 1999, i.e., Tier II or Tier III employees, provided however, that IUE-CWA represented employees who were employed as of May 28, 1999 and were initially hired under a competitive wage agreement that provided for them to grow into full parity for all purposes, including but not limited to all benefit participation on the same basis as non-competitive hire employees and the ability to grow into full wage parity, are also Covered Employees, provided further that IUE-CWA represented employees who retired on or before July 1, 2007 and are receiving Delphi paid post-retirement health care benefits under the terms of the Delphi Health Care Program for Hourly Employees will be considered a Covered Employee for purposes of the OPEB provisions of this Term Sheet. Except as otherwise expressly stated herein, the terms of the respective Delphi and GM employee benefit plans and programs will govern. This Term Sheet does not, and is not intended to, constitute an employee benefit plan under the meaning of ERISA.
- 2) The parties acknowledge that this Term Sheet will become effective (the "Effective Date") when all of the following events have occurred and as of the date when the last of such events shall have occurred: (a) the entry of an approval order by the Bankruptcy Court in Delphi's chapter 11 cases approving the IUE-CWA-Delphi-GM Memorandum of Understanding-Delphi Restructuring which incorporates (among other subject matters) this Term Sheet and approves modifications to the existing collective bargaining agreements between Delphi and the IUE-CWA resolving any Section 1113 and 1114 motions pending in the Bankruptcy Court as between Delphi and the IUE-CWA; (b) successful ratification by the IUE-CWA membership of such of the agreements referred to in the preceding clause as are determined by the IUE-

CWA to require such ratification; (c) execution by Delphi and GM of a comprehensive settlement agreement resolving the financial, commercial, and other matters between them; and (d) the substantial consummation of a plan of reorganization proposed by Delphi in its chapter 11 cases (the "Plan") and confirmed by the Bankruptcy Court which incorporates, approves and is consistent with all of the terms of this Term Sheet and the comprehensive settlement agreement between Delphi and GM.

Pensions

- 3) Pursuant to the Plan and this Term Sheet, Delphi will as of the first of the month next following the Effective Date or as soon as practicable thereafter in accordance with applicable law (the "Freeze Date"), amend the Delphi HRP so as to freeze benefit accruals for future credited service in the Delphi HRP, except as set forth in paragraph 4.b. of this Term Sheet.
- 4) With regard to such amendment and freeze of the Delphi HRP, Delphi will cause the frozen Delphi HRP to pay benefits in accordance with the terms of the Delphi HRP and applicable law. In this regard, the parties agree as follows:
 - a) Covered Employees, who are retired as of the Freeze Date, will continue to be eligible for and receive from the Delphi HRP all benefits, including but not limited to any applicable supplements and benefit redetermination provided for in the Delphi HRP as of the date immediately preceding the Effective Date.
 - b) Delphi employees who are participants in the Delphi HRP (without regard to whether they are also "Covered Employees") who are participants in the IUE-CWA-GM-Delphi Special Attrition Program or any special attrition program provided for in the IUE-CWA-Delphi-GM Memorandum of Understanding-Delphi Restructuring (collectively the "SAP"), and who are not retired or separated from service under the SAP as of the Freeze Date, will receive credited service in the Delphi HRP for all purposes, including but not limited to eligibility, vesting and future benefit accruals, as if there were no freeze, until the earlier of their retirement or separation from service under the terms of the SAP. For the avoidance of doubt, the Delphi HRP is solely responsible for all credited service for accrual, vesting and eligibility purposes for all Delphi participants in the SAP, including but not limited to participants in the pre-retirement program option. Further, all Delphi SAP participants will be eligible for and will receive full Delphi HRP benefits upon their retirement under the terms of the SAP, including but not limited to any applicable supplements and benefit redetermination provided for in the Delphi HRP as of the date immediately preceding the Effective Date. Delphi SAP participants are not eligible to receive Delphi contributions or matching contributions under any Delphi defined contribution pension plan.
 - c) Covered Employees (other than those referred to in paragraph 4.b. of this Term Sheet) who are eligible to retire as of the Freeze Date will, upon their retirement,

receive from the frozen Delphi HRP all benefits provided for in the Delphi HRP under the terms in effect as of the date immediately preceding the Effective Date, including but not limited to any applicable supplements and benefit redetermination provided for in the Delphi HRP.

- d) Covered Employees (other than those referred to in paragraph 4.b. of this Term Sheet) who become eligible to retire after the Freeze Date, when taking into account Delphi credited service, their age at retirement, any GM credited service provided for under paragraph 8. of this Term Sheet, and any other applicable credited service (including credited service as recognized by the Delphi HRP in accordance with paragraph 5 of this Term Sheet), will upon their retirement receive from the Delphi HRP all benefits provided for in the Delphi HRP, including but not limited to any applicable supplements and benefit redetermination provided for in the Delphi HRP under the terms in effect as of the date immediately preceding the Effective Date.
- e) For the avoidance of doubt, Covered Employees referred to in paragraphs 4.c. and 4.d. of this Term Sheet, will, upon retirement, receive from the Delphi HRP in addition to any other applicable Delphi HRP benefits the:
 - i. full amount of the 30 & out benefit (except as specified in paragraph 9 of the Term Sheet for Covered Employees who return to GM under any applicable IUE-CWA-GM-Delphi agreement permitting such return) through age 62 and one month, or the 80% date for those born on or before September 14, 1945, including, but not limited to, the full Early Retirement Supplement, in effect as of the date immediately preceding the Effective Date;
 - ii. portion of the Interim Supplement (which is applicable in both 85 point and 60 & 10 retirements) in effect under the Delphi HRP based on the credited service accrued as of the date immediately preceding the Freeze Date and age at the time of retirement; and
 - iii. portion of the Temporary Benefit (T&PD and mutual retirements) in effect under the Delphi HRP based on the credited service accrued as of the date immediately preceding the Freeze Date, not to exceed 30 years.
- f) For the avoidance of doubt, no Delphi HRP participants, including the Covered Employees referred to in paragraphs 4.a. through 4.d. of this Term Sheet, will receive lump sum payments or any increase in benefits above the level of those provided for in the Delphi HRP as of January 1, 2007, except as may be mutually agreed by the IUE-CWA and Delphi after the term of the extended 2003 IUE-CWA-Delphi National Agreement, i.e. after October 12, 2011. Additionally, no new participants will be allowed to join the frozen Delphi HRP.
- g) Until the Freeze Date, Covered Employees who buydown, pursuant to the IUE-CWA-Delphi-GM Memorandum of Understanding-Delphi Restructuring will

continue to receive credited service in the Delphi HRP for all purposes, including but not limited to, eligibility, vesting, and future benefit accruals under the same terms and conditions in the Delphi HRP as prior to the buydown. During this period, such Covered Employees will not be eligible for any other corporation provided defined benefit or defined contribution pension benefits or accruals. At the expiration of this period they will become eligible to participate in all benefit plans at their location on the same basis as other IUE-CWA employees at such location.

- h) Covered Employees who continue to be employed by Delphi, or any Delphi operation divested after October 8, 2005, after the period of time they are eligible to accrue credited service in the GM HRP under paragraph 8.a. of this Term Sheet will become eligible to receive any applicable Delphi contributions or matching contributions under any Delphi defined contribution pension plan following the expiration of such period.
- 5) After the Freeze Date, all Delphi HRP participants (other than those referred to in paragraph 4.b. of this Term Sheet), including, but not limited to, Covered Employees who are employed at a Delphi operation divested after October 8, 2005, who had not retired or separated from service as of the Freeze Date will, subject to the other terms of the Delphi HRP in effect as of the date immediately preceding the Effective Date, be treated in the Delphi HRP as active participants for all purposes, other than future benefit accruals based on additional credited service, for all periods of time on or after the Freeze Date and prior to retirement or separation from service from Delphi, GM, or any Delphi operation divested after October 8, 2005; provided, however, that for GM or any Delphi operation divested after October 8, 2005 and prior to the Effective Date such active participant treatment is subject to paragraph 6 of this Term Sheet. Treatment of employees who return to GM under any applicable IUE-CWA-GM-Delphi agreement permitting such return is addressed in paragraph 9 of this Term Sheet.
- 6) The Delphi HRP's ability to treat separated employees who are employed at GM or a Delphi operation divested after October 8, 2005 and prior to the Effective Date, as active participants for all purposes other than future benefit accruals based on additional credited service in accordance with paragraph 5 of this Term Sheet is contingent upon Delphi obtaining all required governmental approvals (which Delphi is seeking). If Delphi does not obtain such governmental approvals, Delphi will provide an alternative to enable such participants to continue to accrue credited service for purposes of vesting and eligibility to retire the same as other similar active Delphi HRP participants. For separated employees employed at GM in accordance with any applicable IUE-CWA-GM-Delphi agreement permitting such return prior to the Effective Date, such alternatives include, but are not limited to, amending the frozen Delphi HRP on a retroactive basis (i.e., after the Effective Date) to recognize credited service with GM for purposes of vesting and eligibility (but not benefit accrual). For separated employees employed at a Delphi operation divested after October 8, 2005 and prior to the Effective Date, such alternatives include, but are not limited to, temporarily leasing the employees to a successor

employer or amending the frozen Delphi HRP on a retroactive basis (i.e., after the Effective Date) to recognize credited service with a successor employer for purposes of vesting and eligibility (but not benefit accrual).

- 7) In furtherance of the Plan, the parties agree that Delphi's action to freeze the Delphi HRP as set forth in paragraph 3. of this Term Sheet will trigger sections b. and e. of the Benefit Guarantee for Covered Employees as of the Freeze Date.
- 8) In accordance with GM's obligations under section b. of the Benefit Guarantee, GM and the IUE-CWA agree that as of the Freeze Date the General Motors Hourly-Rate Employees Pension Plan ("GM HRP") will be amended to provide the following:
 - a) Covered Employees, who are Delphi employees as of the Freeze Date or Covered Employees who are employed at a Delphi operation divested after October 8, 2005 and prior to the Freeze Date (other than those referred to in paragraph 4.b. of this Term Sheet), will be eligible to accrue credited service under the GM HRP for all purposes, including but not limited to eligibility, vesting, and future benefit accruals for the seven (7) year period commencing on the Freeze Date. Any such benefits provided by the GM HRP shall be at the level and scope in effect at Delphi on the day immediately preceding the Effective Date and shall be secondary to benefits provided by Delphi, the Delphi HRP, any Delphi operation divested after October 8, 2005 or any benefit plan of such operation, any of their subsidiaries, affiliates or successors or associated pension plans, and/or the PBGC. In no event shall the GM HRP provide pension benefits on such credited service at a level and scope that exceeds that being provided to hourly retirees of GM. The amount of such credited service accrued will equal:
 - i. the amount of credited service that, but solely for the Freeze, would have been earned after the Freeze Date under Article III of the Delphi HRP in effect as of the date immediately preceding the Effective Date; and
 - ii. to the extent not taken into account in paragraph 8.a.(i) of this Term Sheet, the amount of credited service that, but solely for the Freeze and divestiture, would have been earned while working after the Freeze Date at any Delphi operation divested after October 8, 2005.

Nothing in this Term Sheet shall be deemed to require GM to grant credited service beyond that described in this section 8.a. Employees shall be provided only the amount of credited service earned as described in this section 8.a, and shall not receive credited service otherwise.

- b) In regard to the credited service accrued in the GM HRP under paragraph 8.a. of this Term Sheet, the GM HRP will recognize Delphi HRP credited service accrued prior to the Freeze Date for purposes of vesting and eligibility to retire for any Covered Employee. No other Delphi HRP credited service will be recognized by the GM HRP.

- c) The GM HRP benefit payable to a Covered Employee, who retires as a normal retirement under Article II, section 1. of the Delphi HRP and GM HRP, will be a Basic Benefit based on GM HRP credited service accrued under paragraph 8.a. of this Term Sheet and the rates in effect under the Delphi HRP as of the Effective Date.
- d) The GM HRP benefit payable to a Covered Employee, who retires under Article II, section 2(a)(3) of the Delphi HRP and GM HRP with 30 or more years of credited service prior to age 62 and one month, will be a Basic Benefit payable beginning at age 62 and one month based on the number of years of credited service accrued under the GM HRP under paragraph 8.a. of this Term Sheet and the rates in effect under the Delphi HRP as of the Effective Date.
- e) The GM HRP benefit payable to a Covered Employee, who retires under the Delphi HRP and GM HRP prior to age 65 with 85 Points or age at least 60 with 10 or more years of credited service, under Article II, section 2(a)(1) or 2(a)(2) of the Delphi HRP and GM HRP or as a Total and Permanent Disability retirement under Article II, section 3 of the Delphi HRP approved both by Delphi pursuant to the procedures applicable to the Delphi HRP as of the date immediately preceding the Effective Date and approved by GM under the procedures applicable to the GM HRP, or for the Kettering Ohio, Moraine Ohio and Anaheim California plants only, as a retirement under mutually satisfactory conditions pursuant to Article II, section 2(b) of the Delphi HRP, will consist of the following:
 - i. the Basic Benefit based on the number of years of credited service accrued under the GM HRP under paragraph 8.a. of this Term Sheet, age at time of retirement, and the rates in effect under the Delphi HRP as of the Effective Date. Such benefits from the GM HRP are payable beginning upon the date of retirement and will be redetermined, if applicable at age 62 and one month, under the terms of the Delphi HRP in effect as of the date immediately preceding the Effective Date; and
 - ii. if applicable, an interim supplement based on the rates in effect under the Delphi HRP as of the date immediately preceding the Effective Date for the number of years of credited service accrued under the GM HRP under paragraph 8.a. of this Term Sheet and age at time of retirement. The duration of such interim supplement is modified as set forth in the letter in the Delphi HRP entitled Social Security.
 - iii. if applicable, a temporary benefit based on the rates in effect under the Delphi HRP as of the date immediately preceding the Effective Date for the number of years of credited service accrued under the GM HRP under paragraph 8.a. of this Term Sheet. Provided, however, that such number of years of credited service when added to the number of years of credited service in the Delphi HRP will not exceed 30. The duration of such temporary benefit is modified as set forth in the letter in the Delphi HRP entitled Social Security.

- f) Any Covered Employee who, after considering: i) the credited service accrued in the GM HRP under paragraph 8.a. of this Term Sheet; ii) the Delphi HRP credited service recognized in the GM HRP for eligibility to retire under paragraph 8.b. of this Term Sheet; and iii) age at retirement or separation from service from Delphi, or any Delphi operation divested after October 8, 2005, is not eligible for retirement under the GM HRP as described in paragraph 8.c., 8.d., or 8.e. of this Term Sheet, will receive only a deferred vested benefit from the GM HRP based on the years of credited service accrued under the GM HRP under paragraph 8.a. of this Term Sheet. The Basic Benefit will be based on the number of years of credited service accrued under the GM HRP under paragraph 8.a. of this Term Sheet, age at time of benefit commencement, and the rates in effect under the Delphi HRP as of the date immediately preceding the Effective Date. Additionally, if Delphi does not obtain all required government approvals referenced in paragraph 5 of this Term Sheet and does not otherwise treat a participant as an active participant as described in paragraph 5 of this Term Sheet, such participant will receive only a deferred vested benefit from the GM HRP based on the years of credited service accrued under the GM HRP under paragraph 8.a. of this Term Sheet. The Basic Benefit will be based on the number of years of credited service accrued under the GM HRP under paragraph 8.a. of this Term Sheet, age at time of benefit commencement, and the rates in effect under the Delphi HRP as of the date immediately preceding Effective Date. Neither GM, nor the GM HRP, will have any obligation to supplement the deferred vested amounts set forth above.
- g) Provided that Delphi complies with its obligations set forth in sections 3, 4, and 5 of this Term Sheet, GM's adherence to the provisions of sections 8.a through 8.f of this Term Sheet shall constitute full compliance with its obligations under section b. of the Benefit Guarantee.
- h) For the avoidance of doubt, for the purposes of paragraph 8 of this Term Sheet for Covered Employees who have not retired or separated from service from Delphi, GM, or any Delphi operation divested after October 8, 2005, the GM HRP will continue to recognize the growth in age of such Covered Employees during the period they are considered an active participant in the Delphi HRP pursuant to paragraph 5 of this Term Sheet. For purposes of such recognition of growth in age in the GM HRP, such Covered Employees will not be considered by the GM HRP to have separated from service from GM on a "time for time" basis during the period they are considered an active participant in the Delphi HRP pursuant to paragraph 5 of this Term Sheet.
- 9) The parties agree that the pension benefits payable to Covered Employees who return to GM under any applicable IUE-CWA-GM-Delphi agreement permitting such return will be as provided for in such agreement. Unless GM and the IUE-CWA otherwise agree in future bargaining, the benefit rate applicable to any service accrued in the GM HRP under paragraph 8.a. of this Term Sheet will be the rate in effect in the Delphi HRP on the Effective Date. Unless Delphi and the IUE-CWA otherwise agree in future bargaining after the term of the extended 2003 IUE-CWA-

Formatted: Font: Not Italic

Delphi National Agreement, i.e., after October 12, 2011, the Delphi HRP, the benefit rate applicable to service accrued in the Delphi HRP will be the rate in effect under the Delphi HRP on the date immediately preceding the Effective Date.

- 10) In regard to the triggering of section e. of the Benefit Guarantee as of the Freeze Date, no benefits will be paid pursuant to section e. of the Benefit Guarantee unless Delphi or the Delphi HRP fail to pay pension benefits to Covered Employees as set forth in this Term Sheet. Any benefits provided pursuant to section e. of the Benefit Guarantee will when combined with any pension benefits received (x) from a pension plan sponsored by Delphi, any of its subsidiaries or affiliates or any of their successor company(ies), (y) from the PBGC, and/or (z) from a pension plan sponsored by GM, result in the retired Covered Employees receiving pension benefits equal to those called for in the IUE-CWA-Delphi agreement applicable as of the date immediately preceding the Freeze Date.
- 11) In the event that anytime after the Freeze Date, the Delphi HRP is terminated or Delphi further amends the Delphi HRP in a manner that diminishes the benefits from the Delphi HRP to a level below those required by this Term Sheet, sections b. and e. of the Benefit Guarantee will continue in full force and effect with respect to such subsequent termination and/or amendment, regardless of whether such subsequent termination and/or amendment occurs before or after the eighth anniversary of the effective date of the 1999-2003 GM-IUE-CWA National Agreement.
- 12) For purposes of determining Base Hourly Rate in the Delphi HRP and the GM HRP for all Covered Employees who are SAP participants, the highest straight time hourly rate plus any cost-of-living allowance in effect during the last 13 consecutive pay periods the Covered Employee actually worked will be utilized. For all other Covered Employees, Base Hourly Rate for purposes of then Delphi HRP and GM HRP will be the higher of Base Hourly Rate calculated (a) on the day preceding the date they transition to employment under new terms and conditions of an IUE-CWA-Delphi agreement or (b) on the date of retirement. The Delphi HRP and GM HRP benefit class code applied to a Covered Employee who becomes covered by new terms of an IUE-CWA-Delphi agreement will be no lower than the benefit class code in effect for such employee on the date immediately preceding their becoming covered by such agreement.
- 13) The parties agree that, except as otherwise mutually agreed by the IUE-CWA and Delphi after the term of the extended 2003 IUE-CWA-Delphi National Agreement, i.e. after October 12, 2011, Delphi will not amend the frozen Delphi HRP or successor plan to allow for lump sum distributions, to provide a more lucrative benefit formula, or to provide for an expansion of credited service provisions or benefits. Additionally, at no time shall Delphi take such actions at levels exceeding those provided for in the GM HRP as the GM HRP may be amended from time to time, unless all GM and GM HRP obligations under sections b. and e. of the Benefit Guarantee are extinguished. Except as otherwise mutually agreed by the IUE-CWA and Delphi after the term of the extended 2003 IUE-CWA-Delphi National

Agreement, i.e., after October 12, 2011, the Delphi HRP will not be required to recognize any extra grants of age or credited service, or other acceleration of retirement eligibility not provided for under the terms of the GM HRP as of the date immediately preceding the Effective Date, given to Delphi IUE-CWA employees who return to GM under any applicable IUE-CWA-GM-Delphi agreement permitting such return.

OPEB

- 14) Pursuant to the Plan and this Term Sheet, as of the Effective Date or as soon as practicable thereafter in accordance with applicable law and administrative requirements (the "Cessation Date"), Delphi will cease to provide, offer, or have any liability for OPEB to its IUE-CWA represented hourly employees and retirees and their spouses, surviving spouses, dependents or other beneficiaries. The cessation will be administered on a "claims incurred" basis, and Delphi will therefore retain responsibility for all claims incurred but either unfiled or unpaid as of the Cessation Date. This cessation will include elimination of the Special Benefit relating to Medicare Part B.
- 15) In furtherance of the Plan and this Term Sheet, the parties agree that Delphi's action to cease providing or offering OPEB on the basis referred to in paragraph 14 of this Term Sheet will trigger sections c. and d. of the Benefit Guarantee as of the Cessation Date as set forth herein. The parties further agree that the scope or manner in which GM satisfies its obligations under sections c. and d. of the Benefit Guarantee and this Term Sheet will not result in OPEB liability to Delphi. The parties further agree that GM will not satisfy its obligations under the Benefit Guarantee and this Term Sheet by reimbursing employees for COBRA continuation premiums.
- 16) The parties agree to fully cooperate with the efficient transfer of administrative responsibilities from Delphi to GM so that the Cessation Date will be the Effective Date or as soon as possible after the Effective Date, but in no case later than 3 months after the Effective Date (unless mutually agreed to by the parties). The parties further agree that there may be differing Cessation Dates for different portions of post-retirement medical plan benefits depending on the benefit and how quickly administrative responsibilities can be transferred. The parties further agree that the Cessation Date shall not occur unless and until GM is prepared to assume responsibility for all covered claims incurred on and after the Cessation Date, in order to assure a smooth transition of the obligation.
- 17) In full satisfaction of the GM's obligations under sections c. and d. of the Benefit Guarantee, GM agrees to provide post-retirement medical and employer paid post-retirement life insurance to eligible Covered Employees as described herein. The parties further agree that the Special Benefit described in Article 5 of the IUE-CWA-Delphi health care agreement is a post-retirement medical benefit as defined in paragraph c.2 of the Benefit Guarantee, and is therefore covered by the Benefit

Guarantee and the obligations set forth in the preceding sentence. The parties further agree as follows:

- A. This triggering of sections c. and d. of the Benefit Guarantee shall apply only to Covered Employees :
- i. who as of the Effective Date are retired from Delphi with eligibility for OPEB under the terms of the 1999 or 2003 Delphi-IUE-CWA National Agreements;
 - ii. who as of the Effective Date are eligible to retire from Delphi on a normal retirement basis under Article II, section 1 of the Delphi HRP (i.e., age 65) or an early retirement basis under Article II, sections 2(a)(1), 2(a)(2) or 2(a)(3) of the Delphi HRP (i.e., 60 & 10, 85 Point or 30 & Out), or for the Kettering Ohio, Moraine Ohio and Anaheim California plants only, as a retirement under mutually satisfactory conditions pursuant to Article II, section 2(b) of the Delphi HRP, with OPEB under the terms of the 2003 Delphi-IUE-CWA National Agreement in effect on the date immediately preceding the Effective Date;
 - iii. who when considering all Delphi HRP credited service accrued prior to the Freeze Date and GM HRP credited service obtained pursuant to paragraph 8.a. of this Term Sheet, become eligible to retire on a normal retirement basis under Article II, section 1 of the Delphi HRP (i.e., age 65) or an early retirement basis under Article II, sections 2(a)(1), 2(a)(2) or 2(a)(3) of the Delphi HRP (i.e., 60 & 10, 85 Point or 30 & Out) or for the Kettering Ohio, Moraine Ohio and Anaheim California plants only, as a retirement under mutually satisfactory conditions pursuant to Article II, section 2(b) of the Delphi HRP or as a Total and Permanent Disability retirement under Article II, section 3 of the Delphi HRP approved both by Delphi pursuant to the procedures applicable to the Delphi HRP as of the date immediately preceding the Effective Date and approved by GM under the procedures applicable to the GM HRP, within 7 years of the Effective Date; or
 - iv. who when considering all Delphi HRP credited service accrued prior to the Freeze Date and GM HRP credited service obtained pursuant to paragraph 8.a. of this Term Sheet have ten (10) years of credited service within 7 years of the Effective Date and have attained age 55 within 7 years of the Effective Date.
- B. The parties agree that there is no triggering of sections c. and d. of the Benefit Guarantee for any Covered Employees other than those specifically identified in sub-paragraph A. of this paragraph of the Term Sheet.

- C. All post-retirement medical benefits provided with respect to Covered Employees by GM will be in accordance with all the ongoing terms, conditions and eligibility requirements of the GM Health Care Program for Hourly Employees (provided however that the Covered Employees referenced in paragraph 17.A.(iv) of this Term Sheet, upon their retirement or separation from service from Delphi, GM, and any Delphi operation divested after October 8, 2005, will be treated for OPEB purposes as if they are eligible to retire) . As such, GM will provide the applicable level of post retirement medical benefits consistent with the terms of the Modified Plan, as defined in the settlement agreement (the "Settlement Agreement") approved by the court in the case *IUE, et al. v. General Motors Corporation (case number 2:06-cv-12151)*., on the same basis as such benefits are provided to GM-IUE-CWA hourly employees who retired from GM with eligibility to participate in the GM Health Care Program.
- D. All employer-paid post-retirement Basic Life Insurance benefits provided with respect to Covered Employees by GM will be in accordance with all the ongoing terms, conditions and eligibility requirements of the GM Life and Disability Benefits Program for Hourly Employees (provided however that the Covered Employees referenced in paragraph 17.A.(iv) of this Term Sheet, upon their retirement or separation from service from Delphi, GM, and any Delphi operation divested after October 8, 2005, will be treated for OPEB purposes as if they are eligible to retire) and will be at the level provided for Delphi IUE-CWA retirees on the date immediately preceding the Effective Date, provided however that in no event shall GM be required to provide benefits to Covered Employees at a level and scope that exceeds that being provided for IUE-CWA-represented hourly retirees of GM.
- E. The parties also agree that, if any Covered Employee other than those specifically identified in sub-paragraph A of this paragraph of the Term Sheet does not return to GM under and subject to the terms of an IUE-CWA-GM-Delphi agreement permitting such return or per the SAP, he or she will be deemed ineligible for OPEB from GM or Delphi. Provided however, that if a Covered Employee meets all of the following conditions: (a) is on an approved Extended Disability Leave of Absence from Delphi as of the Effective Date; (b) cannot become eligible to retire with GM post-retirement medical and employer paid post-retirement life insurance pursuant to paragraph 17. A. of this Term Sheet; (c) has applied for a Total and Permanent Disability retirement under Article II, Section 3 of the Delphi HRP within 7 years of the Effective Date and if approved retires; (d) meets the requirements to retire with GM provided post-retirement medical and employer paid post-retirement life insurance under the provisions of paragraph 17 of this Term Sheet without regard to the reference to "within 7 years of the Effective Date" contained in paragraph

17.A. iii. of this Term Sheet; and (e) has unbroken seniority with Delphi when they retire; such Covered Employee will be treated as a flowback to GM “check the box” only for purposes of post-retirement medical and employer paid post-retirement life insurance. This provision addressing Covered Employees on Extended Disability Leave from Delphi will not apply to any other leave of absence, paid or unpaid, and does not impact any pension provision in this Term Sheet.

General Provisions

- 18) It is the intent of the parties that, except as specifically required by this Term Sheet, no employee covered by this Term Sheet can simultaneously receive, earn or accrue credited service, pension contributions, OPEB contributions or eligibility in more than one pension or OPEB plan sponsored or funded by GM, Delphi, a successor company and/or any Delphi operation divested after October 8, 2005, i.e. no “double dip”. As a result, the parties agree as follows:
- a) During the period of time a Covered Employee is eligible to accrue credited service in the GM HRP under paragraph 8.a. of this Term Sheet, such Covered Employee will not be eligible to receive Delphi contributions or matching contributions under any Delphi defined contribution pension plan, or receive accruals in or contributions to any other defined benefit or defined contribution pension plan that is established or maintained by Delphi, a successor company or any Delphi operation divested after October 8, 2005;
 - b) Neither Delphi, a successor company, nor any Delphi operation divested after October 8, 2005 will provide any payments, contributions or accruals relating to OPEB to any Covered Employee who can attain eligibility to receive OPEB from GM pursuant to paragraph 17 of this Term Sheet; and
 - c) Neither Delphi, a successor company, nor any Delphi operation divested after October 8, 2005 will provide any payments, contributions or accruals relating to OPEB to any Covered Employee or other employee who attains eligibility for GM provided or GM funded OPEB through any means.
- 19) Delphi, GM, and the IUE-CWA agree to make all collective bargaining agreement, pension, and benefit plan amendments and modifications necessary to implement and comply with the terms contained herein.
- 20) Covered Employees electing a Buy Down under the IUE-CWA-Delphi-GM Memorandum of Understanding Delphi Restructuring will retain eligibility for OPEB and pension benefit treatment under this Term Sheet without regard to such election.
- 21) This Term Sheet shall not be effective unless the confirmation order approving the Plan incorporates and approves all of the terms of this Term Sheet (including the releases provided for herein), does not include terms that are inconsistent with this

Term Sheet, and provides that on the Effective Date, the IUE-CWA, all employees and former employees of Delphi represented or formerly represented by the IUE-CWA, and all persons or entities with claims derived from or related to any relationship with such employees or former employees of Delphi, waive and be deemed to have waived any and all claims of any nature, whether liquidated, unliquidated, contingent, non-contingent, asserted, unasserted, existing and/or arising in the future against Delphi, the Delphi HRP, the Delphi Health Care Program for Hourly Employees and the Delphi Life and Disability Benefits Program for Hourly Employees, GM, the GM HRP, the GM Health Care Program for Hourly Employees and the GM Life and Disability Benefits Program for Hourly Employees, and the officers, directors, employees, fiduciaries, and agents of each, arising from or related to any obligations of Delphi, GM and/or such employee benefits plans to provide OPEB or pension benefits, or related in any way to the amendment and freeze of the Delphi HRP, the cessation of Delphi OPEB and the triggering of the Benefit Guarantee; provided however, that claims for benefits provided for under the provisions of this Term Sheet or ordinary course claims by participants and beneficiaries of the GM HRP, the GM Health Care Program for Hourly Employees, the GM Life and Disability Benefits Program for Hourly Employees, Delphi HRP, the Delphi Health Care Program for Hourly Employees and the Delphi Life and Disability Benefits Program for Hourly Employees, arising after the Effective Date based on the denial or miscalculation of benefits under such plans are not waived. The parties acknowledge that Delphi and/or GM may seek additional waivers of other claims, other than ordinary course grievances and workers' compensation claims, in connection with the resolution of its current labor negotiations with the IUE-CWA. The parties also acknowledge that (i) the consideration provided by GM in this Term Sheet constitutes a substantial contribution to the Plan, (ii) this contribution is necessary to the success of the Plan, and (iii) GM would not have made this contribution without obtaining the releases provided for herein. The Parties further acknowledge that nothing in the preceding sentence shall give rise to or entitle GM to seek or be allowed any claim against or consideration from any entity, including Delphi, other than as specifically approved by the Bankruptcy Court as agreed to by Delphi and GM in a comprehensive settlement agreement resolving the financial, commercial, and other matters between them.

22) Delphi and GM will cause a transfer of pension assets and liabilities from the Delphi HRP to the GM HRP. This transfer is part of the overall Delphi restructuring and is designed to improve the funding level of the Delphi HRP. The transfer will have no effect on accrued pension benefits for employees who either remain in the Delphi HRP or are transferred to the GM HRP. Such transfer will be in an amount agreed to between GM and Delphi and will be conducted in accordance with Section 414(l) of the Internal Revenue Code of 1986, as amended, and Section 208 of the Employee Retirement Income Security Act of 1974, as amended.

- a) Any such transfer will be subject to the Internal Revenue Service ("IRS") ruling issued to Delphi and GM on May 29, 2007 related to the transfer, as may be amended from time to time.

- b) The participants and their corresponding assets and liabilities to be included in the transfer will proceed in the following order to the extent necessary to achieve the amount of the transfer agreed upon by GM and Delphi.
 - i) All UAW-represented employees who, before the date of the transfer (“the Transfer Date”), have flowed back to GM from Delphi (retired and active) or IUE-CWA represented employees who return to GM under a flowback or preferential hiring agreement.
 - ii) Participants on a proportionate basis by union in any pre-retirement program (“PRP”) option offered and selected as part of the UAW-GM-Delphi Special Attrition Program, the IUE-CWA-GM-Delphi Special Attrition Program, any such Delphi PRP option included in any special attrition program negotiated with the USWA, and any other PRP option in a special attrition program implemented prior to the Transfer Date. Within a given union, retired participants will be selected prior to active participants.
 - iii) Participants on a proportionate basis by union in the MSR option offered by Delphi to Delphi employees (the “Delphi MSR”) in the UAW-GM-Delphi Special Attrition Program, the IUE-CWA-GM-Delphi Special Attrition Program, any such Delphi MSR option included in any special attrition program negotiated with the USWA, and any other MSR option in a special attrition program implemented prior to the Transfer Date.
 - iv) The selection of retired or active PRP participants will be based on the highest seniority with Delphi as of the participant’s retirement date for retired PRP participants, or the Transfer Date for active PRP participants. The selection of Delphi MSR participants will be based on the highest seniority with Delphi as of the participant’s retirement date.
 - c) Except as otherwise agreed in future bargaining, the benefit payable by the GM HRP relating to the liability transferred to the GM HRP for a participant whose assets and liabilities were transferred will be based on the Delphi HRP rate in effect as of the Transfer Date. To the extent assets and liabilities associated with active flowbacks and PRP participants are included in the transfer, GM will assume the responsibility for recognizing all past and future benefit service for this population under the GM HRP, including but not limited to the payment of any early retirement supplement.
 - d) After the transfer, the Delphi HRP will not retain any obligations for or relating to the pension liabilities transferred.
- 23) Nothing in this Term Sheet shall be deemed to prevent the IUE-CWA and Delphi, after the term of the extended 2003 National Agreement, i.e., after October 12, 2011, from negotiating future changes in pension or other benefits payable to any Covered Employee.
- 24) The parties have developed a series of examples (the “Examples”), attached hereto as Appendix 1, to show the operation of the provisions of this Term Sheet. The

Examples are incorporated herein and made part of this Term Sheet. For the Examples which include individuals whose assets and liabilities are transferred in the 414(l) transfer, the pension benefit amount to be paid from the Delphi HRP will be payable from the GM HRP.

- 25) In the event a situation involving the pension benefits of a Covered Employee arises that is not addressed by the terms of this Term Sheet or the examples that are a part of this Term Sheet, the intent of the parties is as follows. The pension benefits provided under paragraph 8 of this Term Sheet when combined with pension benefits payable by Delphi plans and the PBGC will in the aggregate equal the benefits that would have been provided under the terms of the Delphi HRP in effect on the date immediately preceding the Effective Date, assuming the Delphi HRP was not frozen until expiration of a period of 7 years from the Freeze Date. In applying this paragraph all conditions set forth in this Term Sheet continue to apply. Neither GM nor the GM HRP will recognize Mutual Retirements from the Delphi HRP or any extra grants of age or credited service, or other acceleration of retirement eligibility by Delphi or the Delphi HRP, unless specifically agreed to in writing by GM in its sole discretion. Nothing in this paragraph shall expand any obligation under paragraph 8 of this Term Sheet or require GM or the GM HRP to provide more years of credited service to a Covered Employee than are provided for under paragraph 8.a. i and ii of this Term Sheet.

The Parties, by their duly authorized officers and representatives, agree accordingly this 5th day of August, 2007.

International Union, IUE-CWA
and its Local Unions

Mickey Forman
Stephen E Trent
Nicholas J. Borden
Anna Johnson
[Signature]
McNair [Signature]
[Signature]
[Signature]
Brian K. [Signature]

Delphi Corporation

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

General Motors Corporation

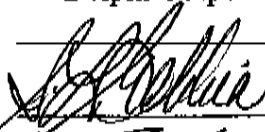
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

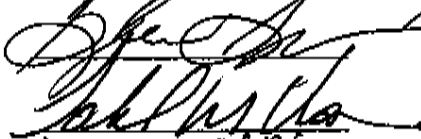
International Union, IUE-CWA
and its Local Unions

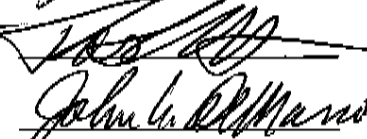
Delphi Corporation

General Motors Corporation

Willie James Bell
Mike R. Rock







John P. Hester
Virginia L. Bailey
Robert J. Latta

John L. Romano
M. Betz

Frank Murray

Brian L. Lutz

David Hill

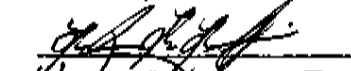
Casey R.

Mr. En

Todd Halbert

Wally Smith

Terry Grimes



Ken Derringer

Philip T. Wood

Michael O'Donnell

Ken D. Hatter

**Term Sheet – Delphi Pension Freeze and Cessation of OPEB, and
GM Consensual Triggering of Benefit Guarantee**

Basic Life Insurance Examples – August 5, 2007

Example #1- “30 and Out” Retirement within 7 years of the Effective Date

Assumes Effective Date, Cessation Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 26.5 years

Employee continues to work at Delphi for another 7 years

30&Out Retirement

Retirement effective 7/1/2014 with 33.5 years of credited service

Age 58 at retirement

Employee's Wage as of 6/30/2007 is \$26.85/hr

Employee's Wage reduced to \$18.84/hr on 7/1/2007 and remains the same until date of retirement (example assumes no future increases)

Assumes utilization of the 2003 Delphi Life and Disability Benefits Program schedule Art. II, 1

Assumes the Ultimate Amount calculation is based on the credited service accrued under the Delphi HRP prior to the Freeze Date and the credited service accrued under the GM HRP

Calculation of Basic Life Coverage:

- At date of retirement, life insurance coverage is reinstated by GM and equals **\$61,000** (based on \$26.85 wage level)
- Upon attainment of age 65 in 2021, the \$61,000 amount begins to reduce by 2% per month over approximately 25 months until reaching the Ultimate Amount
- Ultimate Amount equals **\$30,653** (33.5 years of credited service x 1.5% = 50.25%; Eligible for 50.25% of \$61,000)

Note: In no event will a Delphi retiree's Basic Life insurance benefit exceed that of a similarly situated GM retiree.

Formatted: Font color: Auto

**Example #2- "30 and Out" Retirement within 7 years of the Effective Date But
The Employee Continues to Work For Longer than 7 years**

Assumes Effective Date, Cessation Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 26.5 years
Employee continues to work at Delphi for another 8.5 years

30&Out Retirement
Retirement effective 1/1/2016 with 35 years of service
Age 58 at retirement

Employee's Wage as of 6/30/2007 is \$26.85/hr
Employee's Wage reduced to \$18.84/hr on 7/1/2007 and remains the same until date of
retirement (example assumes no future increases)

Assumes utilization of the 2003 Delphi Life and Disability Benefits Program schedule Art. II, 1
Assumes the Ultimate Amount calculation is based on the credited service accrued under the
Delphi HRP prior to the Freeze Date and the credited service accrued under the GM HRP

Calculation of Basic Life Coverage:

- At date of retirement, life insurance coverage is reinstated by GM and equals **\$61,000** (based on \$26.85 wage level)
- Upon attainment of age 65 in 2023, the \$61,000 amount begins to reduce by 2% per month over approximately 25 months until reaching the Ultimate Amount
- Ultimate Amount equals **\$30,653** (33.5 years of credited service x 1.5% = 50.25%; Eligible for 50.25% of \$61,000)
-

Note: In no event will a Delphi retiree's Basic Life insurance benefit exceed that of a similarly situated GM retiree.

Example #3- "85 Point" Retirement within 7 years of the Effective Date

Assumes Effective Date, Cessation Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 24 years

Employee continues to work at Delphi for another 3 years

85 Point Retirement

Retirement effective 7/1/2010 with 27 years of credited service

Age 58 at retirement

Employee's Wage as of 6/30/2007 is \$26.85/hr

Employee's Wage reduced to \$18.84/hr on 7/1/2007 and remains the same until date of retirement (example assumes no future increases)

Assumes utilization of the 2003 Delphi Life and Disability Benefits Program schedule Art. II, 1

Assumes the Ultimate Amount calculation is based on the credited service accrued under the Delphi HRP prior to the Freeze Date and the credited service accrued under the GM HRP

Calculation of Basic Life Coverage:

- At date of retirement, life insurance coverage is reinstated by GM and equals **\$61,000** (based on \$26.85 wage level)
- Upon attainment of age 65 in 2017, the \$61,000 amount begins to reduce by 2% per month over approximately 30 months until reaching the Ultimate Amount
- Ultimate Amount equals **\$24,705** (27 years of credited service x 1.5% = 40.50%; Eligible for 40.50% of \$61,000)

Note: In no event will a Delphi retiree's Basic Life insurance benefit exceed that of a similarly situated GM retiree.

Example #4- "60 and 10" Retirement within 7 years of the Effective Date

Assumes Effective Date, Cessation Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 17 years

Employee continues to work at Delphi for another 2 years

60 & 10 Retirement

Retirement effective 7/1/2010 with 19 years of credited service

Age 60 at retirement

Employee's Wage as of 6/30/2007 is \$26.85/hr

Employee's Wage reduced to \$18.84/hr on 7/1/2007 and remains the same until date of retirement (example assumes no future increases)

Assumes utilization of the 2003 Delphi Life and Disability Benefits Program schedule Art. II, 1

Assumes the Ultimate Amount calculation is based on the credited service accrued under the Delphi HRP prior to the Freeze Date and the credited service accrued under the GM HRP

Calculation of Basic Life Coverage:

- At date of retirement, life insurance coverage is reinstated by GM and equals **\$61,000** (based on \$26.85 wage level)
- Upon attainment of age 65 in 2015, the \$61,000 amount begins to reduce by 2% per month over approximately 36 months until reaching the Ultimate Amount
- Ultimate Amount equals **\$17,385** (19 years of credited service x 1.5% = 28.50%; Eligible for 28.50% of the \$61,000)

Note: In no event will a Delphi retiree's Basic Life insurance benefit exceed that of a similarly situated GM retiree.

Example #5- 30 Years of Service

Assumes Effective Date, Cessation Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 15 years

Employee continues to work at Delphi for another 15 years

30&Out Retirement

Retirement effective 7/1/2022 with 30 years of service

Age 58 at retirement

Employee had a total of 22 years of credited service as of the 7 year anniversary of the Freeze Date

Employee's Wage as of 6/30/2007 is \$26.85/hr

Employee's Wage reduced to \$18.84/hr on 7/1/2007 and remains the same until date of retirement (example assumes no future increases)

This example employee would not be eligible for OPEB in retirement from GM. Employee did not reach retirement eligibility within 7 years of the Effective Date. As of July 1, 2014, employee was age 50 with 22 years of credited service. As such, this employee is not eligible for Basic Life coverage from GM in retirement.

8-23 Pg 22 of 50

**Term Sheet – Delphi Pension Freeze and Cessation of OPEB, and
GM Consensual Triggering of Benefit Guarantee**

Pension Examples – August 5, 2007

In no event shall any employee be credited with more than one year of credited service in any calendar year between the Delphi Hourly-Rate Employees Pension Plan and any credited service provided under the Benefit Guarantee.

**Example #1- Employee Has Less Than 30 Years of Credited Service as of
Delphi Plan Freeze Date, Retires With More Than 30 Years of Credited Service
and Becomes Eligible for OPEB Within 7 Years of the Effective Date**

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 26.5 years

Employee continues to work at Delphi for another 7 years

30&Out Retirement

Retirement effective 7/1/2014 with 33.5 years of credited service

Single – Age 58 at retirement

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 26.5 = \$1,362.10 \times .752$ (due to age reduction)	=	\$1,024.30
Early Retirement Supplement:		<u>\$1,995.70</u>
		\$3,020.00

GM Share:

\$ 0

Total to Retiree:

\$3,020.00

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 26.5 =$	\$1,362.10
--	-------------------

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 7 =$	<u>\$ 359.80</u>
-------------------------------------	-------------------------

Total to Retiree:

\$1,721.90

05-44481-rdd Doc 21454-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D AOS
8-23 Pg 23 of 50
Note: This example retiree would be eligible for OPEB in Retirement from GM. Employee reached retirement eligibility within 7 years of the Effective Date.

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 30 years
Employee continues to work at Delphi for another 7 years

30&Out Retirement
Retirement effective 7/1/2014 with 37 years of credited service
Single – Age 58 at retirement
Benefit Class Code C
Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 30 = \$1,542$	$\times .752$ (due to age reduction)	=	\$1,159.58
Early Retirement Supplement:			<u>\$1,860.42</u>
			\$3,020.00

GM Share:

\$ 0

Total to Retiree:

\$3,020.00

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 30 =$	\$1,542.00
--------------------------------------	-------------------

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 7 =$	<u>\$ 359.80</u>
-------------------------------------	-------------------------

Total to Retiree:

\$1,901.80

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee was already retirement eligible as of the Effective Date.

05-14481-rdd Doc 21454-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D AQS
8-23 Pg 25 of 50

Example #3A- Employee Has 15 Years of Credited Service as of Delphi Plan Freeze Date & Retires with 30 Years of Service

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 15 years
Employee continues to work at Delphi for another 15 years

30&Out Retirement

Retirement effective 7/1/2022 with 30 years of service

Single – Age 58 at retirement

Employee had a total of 22 years of credited service as of the 7 year anniversary of the Freeze Date

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 15 = \$771 \times .752$ (due to age reduction)	=	\$ 579.79
Early Retirement Supplement:		<u>\$2,440.21</u>
		\$3,020.00

GM Share:

\$ 0

Total:

\$3,020.00

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 15 =$	\$ 771.00
--------------------------------------	------------------

(Note: At age 62 and one month, the Basic Benefit is redetermined. An age reduction factor is no longer applied, since the employee retired with at least 30 years of service for retirement eligibility purposes).

GM Share: (BG Credited Service)

Deferred Vested Basic Benefit: $\$51.40 \times 7 \times .79$ (due to age reduction)	=	<u>\$ 284.24</u>
---	---	-------------------------

(Note: A deferred vested age reduction factor is applied to the benefit, since the employee is age 58 at the time of retirement but only had 22 years of credited service as of the 7 year anniversary of the Freeze Date. Employee is not considered retirement eligible by GM. The age reduction factor that is applied is based on commencing the deferred vested pension benefit at age 62 and one month versus age 65).

Total:

\$ 1,055.24

Note: This example employee would not be eligible for OPEB in retirement from GM. Employee did not reach retirement eligibility within 7 years of the Effective Date. As of July 1, 2014, employee was age 50 with 22 years of credited service.

05-14481.rdd Doc 21454-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D AOS
8-23 Pg 26 of 50

Example #3B- Employee Has 15 Years of Credited Service as of Delphi Plan Freeze Date & Retires with 30 Years of Service

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 15 years
Employee continues to work at Delphi for another 15 years

30&Out Retirement

Retirement effective 7/1/2022 with 30 years of service

Single – Age 60 at retirement

Employee had a total of 22 years of credited service as of the 7 year anniversary of the Freeze Date

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 15 = \$771 \times .867$ (due to age reduction)	=	\$ 668.46
Early Retirement Supplement:		<u>\$2,351.54</u>
		\$3,020.00

GM Share:

\$ 0

Total:

\$3,020.00

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 15 =$		\$ 771.00
--------------------------------------	--	------------------

(Note: At age 62 and one month, the Basic Benefit is redetermined.

An age reduction factor is no longer applied, since the employee retired with at least 30 years of service for retirement eligibility purposes).

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 7 \times .867$ (due to age reduction)	=	<u>\$ 311.95</u>
--	---	-------------------------

(Note: Since the employee was age 60 at the time of retirement and had 22 years of credited service as of the 7 year anniversary of the Freeze Date, GM recognizes this is a 60 & 10 retirement for pension purposes. Since the employee does not have 85 points, an age reduction factor is applied to the GM portion of the Basic Benefit).

Total:

\$ 1,082.95

Note: This example employee would not be eligible for OPEB in retirement from GM. Employee did not reach retirement eligibility within 7 years of the Effective Date. As of July 1, 2014, employee was age 52 with 22 years of credited service.

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 20 years
Employee continues to work at Delphi for another 15 years

30&Out Retirement
Retirement effective 7/1/2022 with 35 years of service
Single – Age 58 at retirement
Employee had a total of 27 years of credited service as of the 7 year anniversary of the Freeze Date
Benefit Class Code C
Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 20 = \$1,028 \times .752$ (due to age reduction)	=	\$ 773.06
Early Retirement Supplement:		<u>\$2,246.94</u>
		\$3,020.00

GM Share:

\$ 0

Total:

\$3,020.00

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 20 =$	\$1,028.00
--------------------------------------	-------------------

(Note: At age 62 and one month, the Basic Benefit is redetermined.
An age reduction factor is no longer applied, since the employee retired with at least 30 years of service for retirement eligibility purposes).

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 7 =$	<u>\$ 359.80</u>
-------------------------------------	-------------------------

(Note: No age reduction factor is applied to the benefit since the employee is age 58 at the time of retirement and had 27 years of credited service as of the 7 year anniversary of the Freeze Date.
GM recognizes this is an 85 point retirement for pension purposes).

Total:

\$1,387.80

Note: This example employee would not be eligible for OPEB in retirement from GM. Employee did not reach retirement eligibility within 7 years of the Effective Date. As of July 1, 2014, employee was age 50 with 27 years of credited service.

05-44481-rdd Doc 21454-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D - AOS
8-23 Pg 28 of 30

Example #3D- Employee Has Less Than 30 Years of Credited Service as of Delphi Plan Freeze Date, Retires With At Least 30 Years of Service and Becomes Eligible for OPEB Within 7 Years of the Effective Date

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 22.5 years
Employee continues to work at Delphi for another 9 years

30&Out Retirement
Retirement effective 7/1/2016 with 31.5 years of service
Single – Age 58 at retirement
Employee had a total of 29.5 years of credited service as of the 7 year anniversary of the Freeze Date
Benefit Class Code C
Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 22.5 = \$1,156.50 \times .752$ (due to age reduction)	=	\$ 869.69
Early Retirement Supplement:		<u>\$2,150.31</u>
		\$3,020.00

GM Share:

\$ 0

Total: **\$3,020.00**

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 22.5 =$	\$1,156.50
--	-------------------

(Note: At age 62 and one month, the Basic Benefit is redetermined.
An age reduction factor is no longer applied, since the employee
retired with at least 30 years of service for retirement eligibility purposes).

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 7 =$	<u>\$ 359.80</u>
-------------------------------------	-------------------------

(Note: No age reduction factor is applied to the benefit, since the
employee is age 58 at the time of retirement and had 29.5 years of
credited service as of the 7 year anniversary of the Freeze Date.
GM recognizes this is an 85 point retirement for pension purposes).

Total: **\$1,516.30**

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee reached retirement eligibility within 7 years of the Effective Date. As of July 1, 2014, employee was age 56 with 29.5 years of credited service. Employee attained 85 Points.

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 24 years
Employee continues to work at Delphi for another 3 years

85 Point Retirement
Retirement effective 7/1/2010 with 27 years of credited service
Single – Age 58 at retirement
Benefit Class Code C
Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 24 = \$1,233.60$	$\times .752$ (due to age reduction)	=	\$ 927.67
Interim Supplement: $\$36.60 \times 24 =$			<u>\$ 878.40</u>
			\$1,806.07

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 3 = \154.20	$\times .752$ (due to age reduction)	=	\$ 115.96
Interim Supplement: $\$36.60 \times 3 =$			<u>\$ 109.80</u>
			\$ 225.76

Total to Retiree:	\$2,031.83
--------------------------	-------------------

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 24 =$	\$1,233.60
--------------------------------------	-------------------

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 3 =$	<u>\$ 154.20</u>
-------------------------------------	-------------------------

Total to Retiree:	\$ 1,387.80
--------------------------	--------------------

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee reached retirement eligibility within 7 years of the Effective Date.

Example #5- Any Delphi SAP Participant

GM is not responsible for any portion of the pension benefit. 100% paid by Delphi.

Note: This example retiree would be eligible for OPEB in retirement from GM.

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 18.5 years
Employee continues to work at Delphi another 6 months

60 & 10 Retirement

Retirement effective 1/1/2008 with 19 years of credited service

Single – Age 60 at retirement

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 18.5 = \$950.90 \times .867$ (due to age reduction) =	\$ 824.43
Interim Supplement: $\$47.30 \times 18.5 =$	<u>\$ 875.05</u>
	\$ 1,699.48

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 0.5 = \$25.70 \times .867$ (due to age reduction) =	\$ 22.28
Interim Supplement: $\$47.30 \times 0.5 =$	<u>\$ 23.65</u>
	\$ 45.93

Total to Retiree: **\$1,745.41**

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 18.5 \times .867$ (due to age reduction) =	\$ 824.43
---	------------------

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 0.5 \times .867$ (due to age reduction) =	<u>\$ 22.28</u>
--	------------------------

Total to Retiree: **\$ 846.71**

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee reached retirement eligibility within 7 years of the Effective Date.

05-14481-rdd Doc 21154-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D AOS
8-23 Pg 32 of 50

Example #7- Employee Has 15 Years of Credited Service as of the Delphi Plan Freeze Date & Quits 3 Years Later

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 15 years

Employee continues to work at Delphi for another 3 years

Employee quits Delphi

Single – Age 48 at time of termination

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit Payable at Age 65 (Note: Benefit will be reduced for age if commenced prior to age 65):

Delphi Share:

Deferred Vested Basic Benefit: $\$51.40 \times 15 =$ **\$ 771.00**

GM Share: (BG Credited Service)

Deferred Vested Basic Benefit: $\$51.40 \times 3 =$ **\$ 154.20**

Total: **\$ 925.20**

Note: This example employee would not be eligible for OPEB in retirement from GM.

05-44481-rdd Doc 21454-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D - AOS
8-23 Pg. 33 of 50

Example #8- Employee Has 10 Years of Credited Service as of Delphi Plan Freeze Date, Works An Additional 1.5 Years at Delphi, Is Then Placed On Lay-off Status at Delphi & Then Breaks Time for Time

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 10 years

Employee continues to work at Delphi for another 1.5 years and is then put on lay-off status as of 1/1/2009

Employee eventually breaks time-for-time – Age 48 at time of break

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit Payable at Age 65 (Note: Benefit will be reduced for age if commenced prior to age 65):

Delphi Share:

Deferred Vested Basic Benefit: $\$51.40 \times 10 = \$ 514.00$

GM Share: (BG Credited Service)

Deferred Vested Basic Benefit: $\$51.40 \times 3.4 = \$ 174.76$

Total: $\$ 688.76$

Note: This example employee would not be eligible for OPEB in retirement from GM.

05-14481-rdd Doc 21454-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D-AOS
8-23 Pg 34 of 50

Example #9- Employee Continues to Work at Delphi & Retires With 30 Years of Credited Service- 70% Rule Example

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 24 years
Employee works 6 more years at Delphi after the Freeze

Maximum base hourly rate for job classification as of 6/30/2007 is \$25.00/hr
Supplemental Employee Group B maximum base hourly rate of \$16.50/hr on 7-1-2007 and at date of retirement (example assumes no future increases)
Benefit Class Code A prior to wage reduction and at time of retirement

30&Out Retirement
Retirement effective 7/1/2013 with 30 years of credited service
Single – Age 58 at retirement
Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

70% Rule Calculation

$$\$25.00 \times 173 \frac{1}{3} = \$4,333.33 \times 70\% = \$3,033.33 = < \text{No Adj.}>$$

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: \$50.90 x 24 years x .752 (due to age reduction)	=	\$ 918.64
Early Retirement Supplement:	=	<u>\$2,101.36</u>
		\$3,020.00

<u>GM Share:</u>	\$	0
-------------------------	----	---

Total to Retiree:	\$3,020.00
--------------------------	-------------------

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: \$50.90 x 24	=	\$1,221.60
-----------------------------	---	-------------------

GM Share: (BG Credited Service)

Basic Benefit: \$50.90 x 6	=	<u>\$ 305.40</u>
----------------------------	---	-------------------------

Total to Retiree:	\$1,527.00
--------------------------	-------------------

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee reached retirement eligibility within 7 years of the Effective Date.

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 24 years
Employee works 4 more years at Delphi after the Freeze

Maximum base hourly rate for job classification as of 6/30/2007 is \$27.00/hr
Supplemental Employee Group B maximum base hourly rate of \$16.50/hr on 7-1-2007 and at date of retirement (example assumes no future increases)
Benefit Class Code B prior to wage reduction; Benefit Class Code B at time of retirement

Voluntary Retirement- Age 60 to 64
Retirement effective 7/1/2011 with 28 years of credited service
Single – Age 64 at retirement
Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit Payable:

Delphi Share:

Basic Benefit: $\$51.15 \times 24 =$ **\$ 1,227.60**
(Years of credited service accrued prior to wage reduction
based on Benefit Class Code B)

GM Share: (BG Credited Service)

Basic Benefit: $\$51.15 \times 4 =$ **\$ 204.60**
(Years of credited service accrued after wage reduction
based on Benefit Class Code B)

Total To Retiree: **\$ 1,432.20**

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee was already retirement eligible as of the Effective Date.

05:44:481-rdd Doc 21451-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D - AOS
8-23 Pg 36 of 50

Example #11- Employee Has Less Than 30 Years of Credited Service as of Delphi Plan Freeze Date and the Plant is Divested in the Future

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 26.5 years

Employee continues to work at Delphi for another 2.5 years and then the plant is sold effective 1/1/2010

At the time of the divestiture, the employee has 29 years of credited service

Employee works for the New Company for an additional 2 years and then retires

Example assumes that the Delphi Hourly-Rate Employees Pension Plan IS AMENDED to treat employees at the New Company as active participants for all purposes, other than future benefit accruals based on additional credited service, for all periods of time on or after the Freeze Date and prior to retirement or separation from service from Delphi or any Delphi operation divested after October 8, 2005.

30&Out Retirement

Retirement effective 1/1/2012 with 31 years of total eligibility service

Single – Age 55 at time of retirement (age 53 at time of divestiture)

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

[Example also assumes that the New Company offers a new Defined Benefit (DB) Pension Plan. The value of the monthly annuity accrued under the new DB plan for the two years that this employee works at the New Company is assumed to be \$100 per month in this example.] An alternative approach is under review by the parties.

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 26.5 = \$1,362.10 \times .579$ (due to age reduction)	=	\$ 788.66
Early Retirement Supplement		<u>\$2,231.34</u>
		\$3,020.00⁽¹⁾
[Less New Company's DB Plan		<u>(\$ 100.00)⁽²⁾</u>

An alternative approach is under review by the parties.

Monthly Benefit Payable = **\$2,920.00**

GM Share: **\$ 0**

New Company Share:

Monthly Benefit Payable = **\$ 100.00**

Total to Retiree: **\$3,020.00**

⁽¹⁾ Since this example assumes that the Delphi Hourly-Rate Employees Pension Plan IS AMENDED as noted, this example retiree is eligible for a 30&Out Retirement under the Delphi pension plan based on 31 years of total eligibility service. Prior to attaining age 62 and one month, Delphi is responsible for paying a Basic Benefit based on the years of credited service accrued as of the Freeze Date, which is 26.5 years, and the full Early Retirement Supplement. Since the Delphi

[(2) Delphi shall also be entitled to offset from any Supplement paid prior to age 62 and one month, the full value of any benefits applicable to an employee covered under a successor company (including any Delphi operation divested after October 8, 2005) defined benefit or defined contribution pension plan, regardless of when payable, other than those benefits solely attributable to employee contributions.] An alternative approach is under review by the parties.

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: \$51.40 x 26.5 = **\$1,362.10**

GM Share: (BG Credited Service)

Basic Benefit: \$51.40 x 4.5 = \$ 231.30
 [Less New Company's DB Plan (\$ 100.00)] An alternative approach is under review by the parties.

Monthly Benefit Payable = **\$ 131.30 ^{(1) (3)}**

New Company Share:

Monthly Benefit Payable = **\$ 100.00**

Total to Retiree: **\$1,593.40**

[(3) GM shall also be entitled to offset from any obligation under the Benefit Guarantee the full value of any benefits applicable to a Covered Employee under a Delphi or successor company (including any Delphi operation divested after October 8, 2005) defined benefit or defined contribution pension plan, regardless of when payable, other than those benefits solely attributable to employee contributions. Furthermore, GM's obligations to provide a particular benefit under the Benefit Guarantee will not apply to the extent Delphi or a successor company carves out any Covered Employee from all or part of any Delphi or successor company (including any Delphi operation divested after October 8, 2005) benefits provided to non-Covered Employees.] An alternative approach is under review by the parties.

Note: Since Delphi is recognizing the service accrued at the New Company for retirement eligibility purposes and this employee reached retirement eligibility within 7 years of the Effective Date, this example retiree is eligible for OPEB in retirement from GM.

[GM shall also be entitled to offset from any obligation under the Benefit Guarantee the full value of any benefits applicable to a Covered Employee under a Delphi or successor company (including any Delphi operation divested after October 8, 2005) post-retirement health care or life insurance plan, regardless of when payable, other than those benefits solely attributable to employee contributions. Furthermore, GM's obligations to provide a particular benefit under the Benefit Guarantee will not apply to the extent Delphi or a successor company (including any Delphi operation divested after October 8, 2005) carves out any Covered Employee from all or part of any Delphi or successor company benefits provided to non-Covered Employees.] An alternative approach is under review by the parties.

05-144481-rdd Doc 21451-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D - AOS
8-23 Pg 38 of 50

Example #12- Employee Has Less Than 30 Years of Credited Service as of Delphi Plan Freeze Date and the Plant is Closed in the Future

Assume Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 26.5 years

Employee continues to work at Delphi for another 2.5 years and then the plant is permanently closed effective 1/1/2010

At the time of the closure, the employee has 29 years of credited service

This example assumes that the employee is placed on lay-off status after the plant closure.

After being on lay-off status for 3 years, the employee elects to retire.

30&Out Retirement

Retirement is effective 1/1/2013 with 30.9 years of credited service. Under the Delphi pension plan, the employee is entitled to receive up to 1.9 years of credited service while on lay-off status.

Single – Age 55 at retirement (age 52 at time of plant closure)

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 26.5 = \$1,362.10 \times .579$ (due to age reduction) = \$ 788.66

Early Retirement Supplement: \$2,231.34

\$3,020.00

GM Share:

\$ 0

Total to Retiree:

\$3,020.00

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 26.5 =$ **\$1,362.10**

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 4.4 =$ **\$ 226.16**

Total to Retiree:

\$1,588.26

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee reached retirement eligibility within 7 years of the Effective Date.

05-144481-rdd Doc 21451-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D-AOS
8-23 Pg 39 of 30

Example #13- Employee Has Less Than 30 Years of Credited Service as of Delphi Plan Freeze Date & Retires With More Than 30 Years of Credited Service-Surviving Spouse Coverage Example

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 26.5 years

Employee continues to work at Delphi for another 6.5 years

30&Out Retirement

Retirement effective 1/1/2014 with 33 years of credited service

Age 58 at retirement

Married at retirement- age difference between retiree and spouse within 5 years

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 26.5 = \$1,362.10 \times .752$ (due to age reduction) = \$1,024.30

Early Retirement Supplement: \$1,995.70

\$3,020.00

Less Cost of Surviving Spouse Coverage: $\$51.40 \times 26.5 = \$1,362.10 \times 0.05 =$ (\$ 68.11)

Monthly Amount Payable: **\$2,951.89**

GM Share:

\$ 0

Total to Retiree:

\$2,951.89

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 26.5 =$ \$1,362.10

Less Cost of Surviving Spouse Coverage: $\$51.40 \times 26.5 = \$1,362.10 \times 0.05 =$ (\$ 68.11)

Monthly Amount Payable: **\$1,293.99**

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 6.5 =$ \$ 334.10

Less Cost of Surviving Spouse Coverage: $\$51.40 \times 6.5 = \$334.10 \times 0.05 =$ (\$ 16.71)

Monthly Amount Payable: **\$ 317.39**

Total to Retiree:

\$1,611.38

Calculation of the Cost of the GM Surviving Spouse Coverage for the period 1/1/2014 through 1/1/2018:

Monthly Cost of Surviving Spouse Coverage: \$51.40 x 6.5 = \$334.10 x 0.05 =	\$ 16.71 per month
Times the number of months	x <u>49 months</u>
Total Cost That Retiree Owes GM:	\$ 818.79

The parties will discuss administrative procedures to collect the \$818.79 that is owed to the GM HRP for the cost of the surviving spouse coverage.

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee reached retirement eligibility within 7 years of the Effective Date.

05-44481-rdd Doc 21454-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D-AOS
8-23 Pg 41 of 50

Continuation of Example #13: Instead of the Retiree Living to at Least Age 62 and One Month, the Following Assumes that the Retiree Dies At Age 60- Calculation of Surviving Spouse Benefit

Calculation of Benefit to Surviving Spouse:

Total Benefit Payable the Month Following the Date of Death- Effective 2/1/2016:

Delphi Share:

Basic Benefit: $\$51.40 \times 26.5 =$	$\$1,362.10$
Less Cost of Surviving Spouse Coverage: $\$51.40 \times 26.5 = \$1,362.10 \times 0.05 =$	$(\$ 68.11)$
Monthly Amount Payable to Retiree:	$\$1,293.99$

Monthly Amount Payable to Surviving Spouse: $\$1,293.99 \times 0.65 =$ **\$ 841.09**

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 6.5 =$	$\$ 334.10$
Less Cost of Surviving Spouse Coverage: $\$51.40 \times 6.5 = \$334.10 \times 0.05 =$	$(\$ 16.71)$
Monthly Amount Payable to Retiree:	$\$ 317.39$

Monthly Amount Payable to Surviving Spouse: $\$317.39 \times 0.65 =$ **\$ 206.30**

Total to Surviving Spouse: **\$1,047.39**

Note: The GM HRP is owed for the cost of the surviving spouse coverage for those months between the retiree's date of retirement and the retiree's date of death. Even though a Basic Benefit was not being paid by GM during these months, the surviving spouse coverage has been in place since date of retirement.

Calculation of the Cost of the GM Surviving Spouse Coverage for the period 1/1/2014 through 1/1/2016:

Monthly Cost of Surviving Spouse Coverage: $\$51.40 \times 6.5 = \$334.10 \times 0.05 =$	$\$ 16.71$ per month
Times the number of months	$\times \underline{25 \text{ months}}$
Total Cost That Surviving Spouse Owes GM:	\$ 417.75

The parties will discuss administrative procedures to collect the \$417.75 that is owed to the GM HRP for the cost of the surviving spouse coverage.

Note: This example surviving spouse continues to be eligible for health care from GM after the retiree's death.

05-44481-rdd Doc 21454-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D-AOS
8-23 Pg 42 of 50

Example #14- Employee Retires Under an 85 Point Retirement- Surviving Spouse Coverage Example

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 24 years

Employee continues to work at Delphi for another 3 years

85 Point Retirement

Retirement effective 7/1/2010 with 27 years of credited service

Age 58 at retirement

Married at retirement- age difference between retiree and spouse within 5 years

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 24 = \$1,233.60 \times .752$ (due to age reduction) = \$ 927.67

Interim Supplement: $\$36.60 \times 24 =$ \$ 878.40

\$1,806.07

Less Cost of Surviving Spouse Coverage: $\$51.40 \times 24 = \$1,233.60 \times 0.05 =$ (\$ 61.68)

Monthly Amount Payable: **\$1,744.39**

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 3 = \$154.20 \times .752$ (due to age reduction) = \$ 115.96

Interim Supplement: $\$36.60 \times 3 =$ \$ 109.80

\$ 225.76

Less Cost of Surviving Spouse Coverage: $\$51.40 \times 3 = \$154.20 \times 0.05 =$ (\$ 7.71)

Monthly Amount Payable: **\$ 218.05**

Total to Retiree: \$ 1,962.44

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 24 =$ \$1,233.60

Less Cost of Surviving Spouse Coverage: $\$51.40 \times 24 = \$1,233.60 \times 0.05 =$ (\$ 61.68)

Monthly Amount Payable: **\$1,171.92**

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 3 =$ \$ 154.20

Less Cost of Surviving Spouse Coverage: $\$51.40 \times 3 = \$154.20 \times 0.05 =$ (\$ 7.71)

Monthly Amount Payable: **\$ 146.49**

Total to Retiree: \$ 1,318.41

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee reached retirement eligibility within 7 years of the Effective Date.

05-44481-rdd Doc 21454-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D-AOS
8-23 Pg 43 of 50

Continuation of Example #14: Instead of the Retiree Living to at Least Age 62 and One Month, the Following Assumes that the Retiree Dies At Age 60- Calculation of Surviving Spouse Benefit

Calculation of Benefit to Surviving Spouse:

Total Benefit Payable the Month Following the Date of Death- Effective 8/1/2012:

Delphi Share:

Basic Benefit: $\$51.40 \times 24 =$ \$1,233.60
Less Cost of Surviving Spouse Coverage: $\$51.40 \times 24 = \$1,233.60 \times 0.05 =$ (\$ 61.68)
Monthly Amount Payable to Retiree: \$1,171.92

Monthly Amount Payable to Surviving Spouse: $\$1,171.92 \times 0.65 =$ **\$ 761.75**

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 3 =$ \$ 154.20
Less Cost of Surviving Spouse Coverage: $\$51.40 \times 3 = \$154.20 \times 0.05 =$ (\$ 7.71)
Monthly Amount Payable to Retiree: \$ 146.49

Monthly Amount Payable to Surviving Spouse: $\$146.49 \times 0.65 =$ **\$ 95.22**

Total to Surviving Spouse: **\$ 856.97**

Note: This example surviving spouse continues to be eligible for health care from GM after the retiree's death.

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 25 years
Employee continues to work at Delphi for another 6 years

T&PD Retirement Approved By Both Delphi and GM- Denied SSDIB
Retirement effective 7/1/2013 with 31 years of service
Single – Age 59 at retirement
Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan
Note: As stated in the 2003 Hourly-Rate Employees Pension Plan, a maximum of 30 years of credited service is used to calculate the Temporary Benefit

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 25 =$	\$1,285.00
Temporary Benefit: $\$49.80 \times 25 =$	<u>\$1,245.00</u>
	\$2,530.00

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 6 =$	\$ 308.40
Temporary Benefit: $\$49.80 \times 5 =$	<u>\$ 249.00</u>
	\$ 557.40

Total to Retiree:	\$3,087.40
--------------------------	-------------------

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 25 =$	\$1,285.00
--------------------------------------	-------------------

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 6 =$	<u>\$ 308.40</u>
-------------------------------------	-------------------------

Total to Retiree:	\$1,593.40
--------------------------	-------------------

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee retired T&PD, which was approved by GM, within 7 years of the Effective Date.

05-44481-rdd Doc 21454-26 Filed 07/12/11 Entered 07/12/11 09:59:25 2D-AOS
8-23 Pg 45 of 50

Example #16- Employee Retires Under a T&PD Retirement Within 7 Years of the Freeze Date

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 15 years

Employee continues to work at Delphi for another 6 years

T&PD Retirement Approved By Both Delphi and GM - Denied SSDIB

Retirement effective 7/1/2013 with 21 years of credited service

Single – Age 49 at retirement

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 15 =$	\$ 771.00
Temporary Benefit: $\$49.80 \times 15 =$	\$ 747.00
	\$1,518.00

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 6 =$	\$ 308.40
Temporary Benefit: $\$49.80 \times 6 =$	\$ 298.80
	\$ 607.20

Total to Retiree:	\$2,125.20
--------------------------	-------------------

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 15 =$	\$ 771.00
--------------------------------------	------------------

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 6 =$	\$ 308.40
-------------------------------------	------------------

Total to Retiree:	\$ 1,079.40
--------------------------	--------------------

Note: This example retiree would be eligible for OPEB in retirement from GM. Employee retired T&PD, which was approved by GM, within 7 years of the Effective Date.

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 20 years
Employee continues to work at Delphi for another 8 years

T&PD Retirement Approved by Delphi- Denied SSDIB
Retirement effective 7/1/2015 with 28 years of service
Single – Age 55 at retirement
Employee had a total of 27 years of credited service as of the 7 year anniversary of the Freeze Date
Benefit Class Code C
Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 20 =$	\$1,028.00
Temporary Benefit: $\$49.80 \times 20 =$	\$ 996.00
	\$2,024.00

GM Share: (BG Credited Service)

Deferred Vested Basic Benefit: $\$51.40 \times 7 \times .428$ (due to age reduction) =	\$ 153.99
--	------------------

(Note: GM does not recognize as a T&PD retirement, since it was effective after the 7 year anniversary of the Freeze Date. GM only recognizes those T&PD retirements, which are approved by both Delphi and GM within 7 years of the Freeze Date.

A deferred vested age reduction factor is applied to the benefit, since the employee is age 55 at the time of retirement and only had 27 years of credited service as of the 7 year anniversary of the Freeze Date. Employee is not considered retirement eligible by GM. The age reduction factor that is applied is based on commencing the deferred vested pension benefit at age 55 versus age 65).

Total to Retiree:	\$2,177.99
--------------------------	-------------------

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 20 =$	\$1,028.00
--------------------------------------	------------

GM Share: (BG Credited Service)

Deferred Vested Basic Benefit: $\$51.40 \times 7 \times .428$ (due to age reduction) =	\$ 153.99
--	------------------

Total to Retiree:	\$1,181.99
--------------------------	-------------------

Note: This example retiree would not be eligible for OPEB in retirement from GM. Employee did not reach retirement eligibility within 7 years of the Effective Date. As of July 1, 2014, employee was age 54 with 27 years of credited service. Additionally, the employee is not a T&PD retirement approved by GM within 7 years of the Effective Date.

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 15 years
Employee continues to work at Delphi for another 6 years

T&PD Retirement Approved By Delphi But Denied by GM - Also Denied SSDIB
Retirement effective 7/1/2013 with 21 years of credited service
Single – Age 55 at retirement
Benefit Class Code C
Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 15 =$	\$ 771.00
Temporary Benefit: $\$49.80 \times 15 =$	\$ 747.00
	\$1,518.00

GM Share: (BG Credited Service)

Deferred Vested Basic Benefit: $\$51.40 \times 6 \times .428$ (due to age reduction) = **\$ 132.00**

(Note: A deferred vested age reduction factor is applied to the benefit, since the employee is age 55 at the time of retirement and only had 21 years of credited service. Employee is not considered retirement eligible by GM. The age reduction factor that is applied is based on commencing the deferred vested pension benefit at age 55 versus age 65).

Total to Retiree: \$1,650.00

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 15 =$	\$ 771.00
--------------------------------------	-----------

GM Share: (BG Credited Service)

Deferred Vested Basic Benefit: $\$51.40 \times 6 \times .428$ (due to age reduction) = **\$ 132.00**

Total to Retiree: \$ 903.00

Note: This example retiree would not be eligible for OPEB in retirement from GM. Employee did not reach retirement eligibility. As of the date of retirement, employee was age 55 with 21 years of credited service. Additionally, the employee is not a T&PD retirement approved by GM.

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 8 years
Employee works 1 additional year at Delphi after the Freeze

Normal Retirement- Age 65
Retirement effective 7/1/2008 with 9 years of credited service
Single – Age 65 at retirement
Benefit Class Code C
Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit Payable:

Delphi Share:

Basic Benefit: $\$51.40 \times 8 =$ **\$411.20**

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 1 =$ **\$ 51.40**

Total To Retiree: **\$462.60**

Note: This example retiree would not be eligible for OPEB in retirement from GM, since the employee retired with less than 10 years of credited service.

05-44481-rdd Doc 21-154-26 Filed 07/13/11 Entered 07/12/11 09:59:25 2D AOS
8-23 Pg 49 of 50
Example #20- Employee Retires Under an 85 Point Retirement But Does Not Become Eligible for OPEB Within 7 Years of the Effective Date

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007

Employee's Credited Service as of 6/30/2007 = 20 years

Employee continues to work at Delphi for another 8 years

85 Point Retirement

Retirement effective 7/1/2015 with 28 years of service

Single – Age 58 at retirement

Employee had a total of 27 years of credited service as of the 7 year anniversary of the Freeze Date

Benefit Class Code C

Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit:

Total Benefit prior to age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 20 = \$1,028.00 \times .752$ (due to age reduction)	=	\$ 773.06
Interim Supplement: $\$36.60 \times 20 =$		<u>\$ 732.00</u>
		\$1,505.06

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 7 = \$359.80 \times .752$ (due to age reduction)	=	\$ 270.57
Interim Supplement: $\$36.60 \times 7 =$		<u>\$ 256.20</u>
		\$ 526.77

(Note: GM is responsible for a portion of the Interim Supplement since the employee is age 58 at the time of retirement and had 27 years of credited service as of the 7 year anniversary of the Freeze Date.

GM recognizes this is an 85 point retirement for pension purposes).

Total to Retiree:	\$2,031.83
--------------------------	-------------------

Total Benefit at age 62 and one month:

Delphi Share:

Basic Benefit: $\$51.40 \times 20 =$	\$1,028.00
--------------------------------------	-------------------

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 7 =$	<u>\$ 270.57</u>
-------------------------------------	-------------------------

Total to Retiree:	\$ 1,298.57
--------------------------	--------------------

Note: This example employee would not be eligible for OPEB in retirement from GM.

Employee did not reach retirement eligibility within 7 years of the Effective Date. As of July 1, 2014, employee was age 57 with 27 years of credited service.

Assume Effective Date and Delphi Plan Freeze Date is 7/1/2007
Employee's Credited Service as of 6/30/2007 = 26.5 years
Employee continues to work at Delphi for another 6.5 years and then dies while still employed

Date of death 1/1/2014 with 33 years of credited service
Employee deemed to be a 30 & Out Retirement as of the date of death
Age 58 on date of death
Married at least one year as of the date of death- age difference between retiree and spouse within 5 years
Benefit Class Code C
Assumes the benefit rate levels in effect under the 2003 Hourly-Rate Employees Pension Plan

Calculation of Benefit to Surviving Spouse:

Delphi Share:

Basic Benefit: $\$51.40 \times 26.5 =$	\$1,362.10
Less Cost of Surviving Spouse Coverage: $\$51.40 \times 26.5 = \$1,362.10 \times 0.05 =$	<u>(\$ 68.11)</u>
Monthly Amount Payable to Retiree:	\$1,293.99

Monthly Amount Payable to Surviving Spouse: $\$1,293.99 \times 0.65 =$ **\$ 841.09**

GM Share: (BG Credited Service)

Basic Benefit: $\$51.40 \times 6.5 =$	\$ 334.10
Less Cost of Surviving Spouse Coverage: $\$51.40 \times 6.5 = \$334.10 \times 0.05 =$	<u>(\$ 16.71)</u>
Monthly Amount Payable to Retiree:	\$ 317.39

Monthly Amount Payable to Surviving Spouse: $\$317.39 \times 0.65 =$ **\$ 206.30**

Total to Surviving Spouse: **\$1,047.39**

Note: This example surviving spouse would be eligible for health care from GM since the employee reached retirement eligibility within 7 years of the Effective Date. However, Delphi is responsible for the employee's Basic life insurance benefit since he was still actively employed at the time of death.